



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

October 23, 2006

Mike and Sandra Sprunger
Sprungers Minerals
Post Office Box 38054
Leamington, Utah 84638

Subject: Division of Oil, Gas and Mining, (DOGM) Second Request to Change
Certificate of Deposit (CD) Titling, Sprungers Minerals, ML
CUBICAL2 Mine, S/023/057, Juab County, Utah

Dear Mr. And Mrs. Sprunger:

The Division recently received your response indicating there are four surety bonds for this mine site. The Division has received the following information from SITLA:

- Two CD's at \$1250.00 each with Wells Fargo Bank
- \$500.00 CD with Wells Fargo Bank

If there is additional surety with SITLA and/or the BLM, please submit copies of the surety documents to the Division, attention Minerals Regulatory Program. The Division has no further record or information of sureties that you have identified.

In order to proceed with the CD titling modification, it is necessary to take the following action in order to change the titling of the certificates of deposit from SITLA to DOGM:

- Contact the Division Bonding Coordinator, Beth Ericksen, 801-538-5318 or bethericksen@utah.gov, and provide account detail pertaining to the CDs (i.e. account number, branch contact and telephone number);
- Contact the bank that is holding the CD and advise them a titling change is required. Obtain a bank contact who can work directly with Beth Ericksen to make the necessary changes to the CD;
- If the terms of the CD do not allow a title change, obtain information regarding the specific terms of the CD and provide the information to Beth Ericksen or have the bank contact provide the information

Please initiate re-titling action as soon as reasonably possible. Beth Ericksen can assist with the process, however, you, the operator must initiate the action and be directly involved in the process.

In addition, a reclamation surety contract was mailed on September 25, 2006 for your notarized signature. Please complete the missing information

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contained in the fact sheet, sign, notarize and return the original to the Division, attention Minerals Regulatory Program.

Additional reclamation surety bond requirements may be necessary. Please contact the reclamation specialist for Juab County, Tom Munson, 801-538-5321, to obtain assistance in the determination of potential additional surety and permitting requirements.

As a reminder, the deadline to complete this process (approved reclamation surety and reclamation contract) is December 8, 2006

If you have any questions or require further discussion, please contact any of the mentioned persons in this letter or myself at 801-538-5325.

Sincerely,

A handwritten signature in black ink that reads "Daron R. Haddock". The signature is fluid and cursive, with the first name "Daron" being more prominent than the last name "Haddock".

Daron Haddock
Permit Supervisor
Minerals Regulatory Program

SMW:BE;be
cc: Beth Ericksen, OGM
Tom Munson, OGM
Susan White, OGM
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